



# CREDIT LIMIT INCREASE

## CITY COUNCIL MEETING

Keith DeMartini, Finance Director

September 10, 2019

# Objective



- Receive information on credit card use and procedures
- Discuss staff recommendation to increase the City's aggregate credit limit
- Adopt a resolution Increasing the City of San Bruno's Aggregate Credit Limit with Tri Counties Bank from \$125,000 to \$350,000



# Agenda

- I. Background & credit card procedures
- II. Credit limit increase justification
- III. Credit limit comparisons
- IV. Request to City Council & Next Steps
- V. Questions

# Background & Credit Card Procedures



- City-issued credit cards were first used in 1989
- Used for purchases of goods and services are not typical, smaller dollar amount or not possible to use a more standard procurement process
- 41 staff have been issued a card
  - Aggregate credit limit has been reached
  - Individual card limits are reached frequently
  - No additional credit limit for non-routine purchases
  - No available limit to procure goods, supplies, services and other items during emergency situations



# Justification for Increased Limit

- Number of staff with a credit card has increased over time with no change in aggregate credit limit
- Timing of monthly payment can cause some cards to not be used for up to 2 weeks
- Need to reduce a card limit in order to increase one
- No credit capacity in an emergency
  - Food, lodging, sanitary and cleaning services, temporary fencing, hand tools, safety gear, computers, equipment, vehicle rentals, building inspectors and technical specialists



# Current Limit Comparisons

City	Population	Credit Limit	Number of Card Holders	Average Credit Limit per Card Holder
Daly City	107,074	\$188,000	38	\$4,947
San Mateo	104,748	\$500,000	184	\$2,717
Redwood City	86,685	\$300,000	159	\$1,887
South San Francisco	67,429	\$250,000	110	\$2,273
San Bruno	43,299	\$125,000	41	\$3,049
Foster City	34,412	\$250,000	30	\$8,333
Menlo Park	34,357	\$357,000	91	\$3,923
San Carlos	30,499	\$25,000	1	\$25,000
Belmont	27,140	\$80,000	40	\$2,000
Millbrae	22,718	\$50,000	28	\$1,786
Brisbane	4,721	\$75,000	10	\$7,500

# Request to City Council & Next Steps



- Adopt a Resolution Increasing the City of San Bruno's Aggregate Credit Limit with Tri Counties Bank from \$125,000 to \$350,000
- Provide resolution to bank for credit limit increase

# Questions

